

EMPLOYMENT MATTERS COMMITTEE

13 JUNE 2018

REPORT ON THE RESULTS OF THE MEDPAY PAY PROGRESSION AWARD SCHEME 2017/2018

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Summary

To update the Committee on the results of the Council's MedPay Pay Progression Award Scheme for the 2017/2018 reporting year.

1. Budget and Policy Framework

1.1 The staffing implications of MedPay are a matter for this Committee.

2. Background

2.1 On 17 April 2014, Full Council agreed to the implementation of the MedPay Policy.

2.2 The MedPay Policy set out how staff were to be remunerated using a form of pay progression directly linked to the achievement of personal targets and reaching a specific level of competence. The annual Performance Development Review (PDR) process was introduced as the vehicle to be used by managers to discuss an individual's performance and also agree any areas of development.

2.3 When the scheme was launched there were three levels of PDR assessment outcomes, these being:

Level 1	Excellence – targets achieved consistently and some exceeded, competencies fully met or exceeded. In addition, evidence of delivering exceptional wider contribution that has impacted on service delivery.
Level 2	Performance to required standard – targets have been achieved and working at competency levels expected for the role.
Level 3	Performance improvement required – targets have not been met and/or competencies are below the required standard.

- 2.4 At the meeting of the Employment Matters Committee on 9 September 2015, Members agreed to a proposal to introduce a Level 1A and Level 1B, retaining Level 2 and Level 3. (The new L1A and L1B are shown below):

Level 1A	Exceeded the required standard with significant additional evidence of delivering exceptional wider contribution that has impacted on service delivery.
Level 1B	Exceeded the required standard

- 2.5 Individual performance outcomes are then linked to any pay award agreed by the Council. For the pay award 2018/2019, at their meeting on 22 February 2018, Full Council agreed to the following:

- 1.1% paid as a general cost of living increase (COLA);
- 0.40% paid in accordance with the performance arrangements as detailed under MedPay and in accordance with MedPay, staff who are at the top of their current pay range would only receive the COLA increase;
- An additional payment to those assessed as a Level 1A and a one off additional day's leave for those awarded a Level 1B.

3. MedPay results 2017/2018

- 3.1 The following assessments were recorded from MedPay 2017/2018; the data from the two previous years have been added for comparison.

PDR Assessment Level	Number of staff awarded	Comparison 2016/2017	Comparison 2015/2016
1A	20	17	23
1B	181	172	N/A
2	1678	1944	2283
3	17	9	39
Other	86	461	90

“Other” includes staff who have not yet met the qualifying service criteria (6 months). Once this cohort of staff have completed their qualifying service they will be assessed via their MedPay PDR and if eligible they will receive salary increases in line with Paragraph 2.5.

- 3.2 The data anomaly in 2016/2017 of 461 “Other’s” can be explained by the incorrect inclusion of a large number of casual employees who do not form part of the annual PDR cycle. As can be seen from the data at 2015/2016 and 2017/2018 the actual position of “Other’s” is consistent.
- 3.3 Staff who have been assessed at Level 3 “Performance Improvement Required” have received the COLA element of this years pay award. All of this cohort are either on a Performance Improvement Plan or other formal arrangements to address their respective performance issues.

4. Advice and analysis

- 4.1 Directorate Management Teams (DMTs) and the Corporate Management Team have completed robust moderation of the recommendations at Level's 1A, 1B and 3. The Acting Head of HR attended all moderation meetings to ensure consistency of approach.
- 4.2 Staff who achieved a L1A performance outcome have received a personalised letter from the Chief Executive and their respective Director in addition to any salary increase and lump sum payment as detailed at paragraph 2.5.
- 4.3 The results of the Staff Survey 2017 showed that of those who completed the survey, 90% had completed their PDR (90% in the Staff Survey 2016), 88% had their key targets and objectives identified (89% in the Staff Survey 2016) and 96% (95% in the Staff Survey 2016) understood the competencies that they needed to demonstrate in their role.
- 4.4 From the time that Full Council agreed to the pay award in February to those pay increases being applied for colleagues in time for the April salary payment, a number of teams within the HR and Payroll Teams dedicated a significant amount of time and effort in ensuring that colleagues across the council receive the correct pay element relevant to their individual entitlement.

5. Risk management

Risk	Description	Action to avoid or mitigate risk	Risk rating
Unequal MedPay assessments	Failing to undertake MedPay assessments in a fair and consistent manner across the organisation could lead to complaints of inequality from individuals. This would lose the integrity of the scheme.	Training is provided to all managers undertaking MedPay assessments. HR Services to undertake a 'sense-check' analysis of levels awarded and rationale for pay progression decisions across the organisation.	E4

6. Financial implications

- 6.1 This report is for update only and has no financial implications.

7. Legal implications

- 7.1 This report is for update only and has no legal implications.

8. Recommendation

8.1 The Committee is asked to note the report.

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Appendices

None

Background Papers

None